DOCUMENT RESUME

ED 360 507 CE 064 222

TITLE	Army Training. Expenditures for Troop Schools Have Not Been Justified. Report to the Chairman, Subcommittee on Readiness, Committee on Armed Services, House of Representatives.
INSTITUTION	General Accounting Office, Washington, DC. National Security and International Affairs Div.
REPORT NO	GAO/NSIAD-93-172
PUB DATE	Jul 93
NOTE	28p.
AVAILABLE FROM	U.S. General Accounting Office, P.O. Box 6015, Gaithersburg, MD 20884-6015 (first copy free; additional copies, $2 each; 100 or more, 25% discount).
PUB TYPE	Reports - Evaluative/Feasibility (142)
EDRS PRICE	MF01/PC02 Plus Postage.
DESCRIPTORS	Adult Education; Armed Forces; Cost Effectiveness; *Costs; Enlisted Personnel; *Job Training; Military Service; *Military Training; *Needs Assessment; Postsecondary Education; Program Administration; *Program Effectiveness; Program Evaluation; Vocational Education
IDENTIFIERS	*Army; *Troop Schools

ABSTRACT

A review of the Army's troop schools found that the internal control weaknesses in the program first reported over 10 years ago still existed. Expenditures were not justified. Most justifications reviewed were not based on assessed performance deficiencies of individual soldiers, as required, and none documented that troop schools were the most cost-effective alternative. The Army was not exercising adequate control over troop school operations. For example, the Army had continued to offer many courses without proper authorization, wasted money by paying for unneeded course offerings, and allowed contractors to administer tests to determine whether soldiers need training, despite the potential for creating false demand. The persistent nature of troop school management problems clearly indicated that the Army had not followed up on the corrective actions it initiated in response to findings and recommendations of the earlier study. Actions taken by the Army in 1990 to assign program monitoring responsibilities and to call top management's attention to material control weaknesses through the Secretary of the Army's Annual Statement on Internal Control were significant steps in the right direction. However, the Army did not follow through on these initial steps. Monitoring and follow-up were needed to ensure that corrective actions were properly implemented and that problems were resolved. (Appendixes include comments from the Department of Defense.) (YLB)

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ED 360 507

United States General Accounting Office

GAO

Report to the Chairman, Subcommittee on Readiness, Committee on Armed Services, House of Representatives

July 1993

ARMY TRAINING

Expenditures for Troop Schools Have Not Been Justified

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United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-252861

July 9, 1993

The Honorable Earl Hutto
Chairman, Subcommittee on Readiness
Committee on Armed Services
House of Representatives

Dear Mr. Chairman:

This report responds to your request that we conduct a follow-up review of troop schools to determine whether the Army has corrected problems identified in earlier audits. Troop schools, operated under contract by private colleges, supplement the job training given to soldiers by noncommissioned officers. Since 1982, GAO and the Army Audit Agency have reported internal control weaknesses related to the justification for troop schools and their overall management.[1] Our most recent report, issued in 1988, again cited significant internal control weaknesses. This report addresses whether (1) Army installations had adequately justified the need for troop school courses, (2) the Army had established effective controls over troop school operations, and (3) the Army had implemented the corrective actions it has planned since 1988.

Results in Brief

The internal control weaknesses in the Army's troop school program first reported over 10 years ago still exist today. The significant nature of these weaknesses calls into question whether the Army is able to manage the troop school program effectively and efficiently. As it now stands, expenditures for troop schools have not been justified. Most justifications we reviewed were not based on assessed performance deficiencies of individual soldiers, as required, and none documented that troop schools were the most cost-effective alternative.

The Army is not exercising adequate control over troop school operations. For example, the Army has continued to

[1]Audit of Noncommissioned Officer Training, Fort Bragg, N.C. (Army Audit Agency, SO-83-202, Oct. 7, 1982).

Letter to the Assistant Secretary of the Army for Manpower and Reserve Affairs (GAO, June 21, 1984).

Audit of Formal Training: U.S. Army Europe, and Seventh Army (Army Audit Agency, EU-87-213, Sept. 1987).

Army Training: Need to Strengthen Internal Controls Over Troop Schools (GAO/NSIAD-88-208, Aug. 4, 1988).

- offer many courses without proper authorization,
- waste money by paying for unneeded course offerings, and
- allow contractors to administer tests to determine whether soldiers need training, despite the potential for creating false demand.

The persistent nature of troop school management problems clearly indicates that the Army has not followed up on the corrective actions it initiated in response to our 1988 findings and recommendations. Actions taken by the Army in 1990 to assign program monitoring responsibilities and to call top management's attention to material control weaknesses through the Secretary of the Army's Annual Statement on Internal Control were significant steps in the right direction. However, the Army has not followed through on these initial steps. Monitoring and follow-up are needed to ensure that corrective actions are properly implemented and that problems have been resolved. The Army has done neither.

Background

Training given to soldiers when they first join the Army consists of basic training and advanced individual training conducted by Army schools and training centers. This training prepares soldiers to reach the apprentice level within a military occupational specialty. After completing initial training, soldiers are assigned to Army units where noncommissioned officers provide (1) refresher training in the critical tasks taught during advanced training and (2) initial training in tasks not covered in advanced training.

To supplement the training provided by noncommissioned officers, Army Regulation 350-41 authorizes commanders to use troop schools. Until publication of this regulation on April 19, 1993, troop school operations were conducted under Army Regulation 351-1. These schools can be used to (1) assist in completing individual training requirements and (2) cross-train soldiers in other specialties to fill job vacancies or develop backup expertise. All of the troop schools at the bases we visited were operated on the bases under contract by private colleges and paid for through the Army's operations and maintenance funds. The Army has not maintained aggregate data on the total costs of troop schools or the number of soldiers who attend them. However, the Army estimates that during fiscal year 1992, it paid $2.5 million to contractors to operate troop schools. This amount does not include either the salaries of troop school personnel and students or the operations and maintenance of facilities.

Management responsibility for troop schools is divided among the Army's Deputy Chief of Staff for Operations and Plans (DCSOPS), the major commands, and the individual installations. DCSOPS is responsible for establishing training policies and reporting requirements. In addition, DCSOPS is responsible for ensuring that all Army organizations adhere to regulatory guidance. The major commands are responsible for ensuring that installation commanders conduct annual needs assessments for troop schools, including evaluations of available alternatives. Installation personnel manage the schools' day-to-day activities.

The Army Has Not Adequately Justified the Need for Troop Schools

Army Regulation 351-1, which was revised in 1990 based on our 1988 report,[2] required that the Army assess the need for specific troop schools by identifying a performance shortfall and documenting the selection of the most cost-effective training alternative. However, only 25 percent (10 of 40) of the needs assessments prepared by installations that we visited indicated a performance deficiency in individual soldiers, and none documented that troop schools were the most cost-effective alternative. Our analysis of the process installations used to prepare the annual assessments showed that each year's assessment was based on the courses offered during the previous year. We reported the same problem in 1988, which the Army Audit Agency had reported earlier in 1982 and 1987.

Justifications Were Superficial

The information contained in the needs assessment documents that we reviewed was superficial and/or unsupported. The most significant deficiency was the absence of an identified performance shortfall and its impact on the units' missions. Information provided under this category included undocumented statements that a training need existed, insinuations that Training and Doctrine Command (TRADOC) schools did not adequately train soldiers, references to alleged Army-wide shortages in military specialties, and descriptions of the course itself. In most cases, this information did not identify specific shortfalls or the impact on the units' performance, as called for by Army regulations.

Likewise, we found that needs assessments did not establish that troop schools were the most cost-effective alternative to meet the training need. Although alternatives such as mobile training teams, TRADOC schools, and military instructors were mentioned in the assessments, none contained

[2]The revision was accomplished through a January 1990 message from DCSOPS to the major commands and installations.

cost data to reflect selection of the most cost-effective alternative, as shown in table 1.

Table 1: Needs Assessments Identifying Performance Shortfalls and Documenting Cost-Effectiveness of Troop Schools

Rates in percent

Installation	Performance shortfalls identified	Cost-effectiveness of troop schools documented
Fort Bragg	33.3	0
Fort Carson	0	0
Fort Hood	23.1	0

Needs Assessments Were Based on Prior Year's Program

Each year's assessment was based on the courses offered during the previous year, rather than on an evaluation of current training needs. For example, Fort Carson troop school managers provided lists of courses to the units and asked them if the courses should be continued. A positive response required only a check mark, while a negative response required a narrative discussion to support the unit's decision. This process resulted in little change in the courses offered from one year to the next. In fact, in most cases, all three installations we reviewed resubmitted their fiscal year 1992 assessments as their justification for continuing the same courses in fiscal year 1993. Troop school managers at the Forces Command bases we visited told us that they had not received formal training on how to prepare needs assessments, nor had they received feedback on the assessments that they had submitted to the Forces Command. Accordingly, they considered the lack of a response from the Forces Command as tacit approval of the needs assessments and the courses to be offered.

Perceived Need for Courses Varied Widely

Even though the major units stationed at the installations we visited were either mechanized infantry or armor, there was wide variation among them in their perceived need for troop school courses. For example, Fort Hood contracted for 25 courses covering a wide range of subjects, including wheeled vehicle mechanic and supply and mobile telephone operations. Fort Carson contracted for 12 courses; only 6 of these were the same as Fort Hood's.

On the other hand, Fort Stewart discontinued its troop school program. After assessing how training funds could be spent more prudently, Fort Stewart canceled several courses it deemed unneeded and identified an alternative source to meet remaining requirements. Officials told us that

the National Guard Bureau Regional Maintenance site, also located at Fort Stewart, is now providing training comparable to courses previously provided by contractors. Officials estimated that these actions will save about $80,000 annually.

The Army Has Not Exercised Adequate Control Over Troop School Operations

In addition to weaknesses in assessing the need for troop schools, we found that the Army has not adequately controlled school operations. As a result, installations funded courses that were not authorized or needed and did not ensure that courses were consistent with Army standards and doctrine.

Many Courses Were Not Authorized

Army Regulation 351-1 listed 16 courses that could be offered by troop schools and required all additional courses to have DCSOPS approval. Although several installations sought approval to provide additional courses in fiscal years 1991 and 1992, DCSOPS did not respond to their requests. Despite lacking approval, installations nonetheless contracted for additional troop school courses in both fiscal years. For example, 51 of the 102 courses offered by Forces Command installations during the 2-year period were not approved. Army managers were unaware of this condition until we informed them in August 1992.

In September 1992, DCSOPS officials granted a policy exception by allowing unapproved courses to continue into fiscal year 1993, if the first general officer in the chain-of-command certified that the course was critical. They took this action because they (1) could not adequately determine the need for courses from available information on a timely basis and (2) wanted to allow commanders flexibility in their use of training resources. In making this exception, however, the Army circumvented the controls it sought to establish in its 1990 regulatory revision.

Number of Course Offerings Was Excessive

Since contractors are paid per course rather than per student, it is more cost efficient for troop school managers to ensure that all scheduled courses are filled to capacity. For example, if an installation wants to train 100 soldiers in a course having a capacity of 20 students, it should contract for 5-course offerings.

Based on our review of courses offered at three installations during fiscal year 1992, we found that if courses had been filled to capacity, about

23 percent (164 of 708) of the offerings would not have been needed. Table 2 provides examples of unneeded course offerings.

Table 2: Examples of Unneeded Course Offerings

Installation	Course	Offerings needed	Offerings given
Fort Bragg	Motorcycle safety	22	67
	Ammunition management	33	51
Fort Carson	Computer	63	71
Fort Hood	Unit level logistics system - S4	5	11

Contractors Continue to Develop Certification Tests

Many installations have established certification programs to test the proficiency of soldiers working in certain duty positions. These programs require soldiers to take certification examinations developed by the contractors who teach troop school courses. At some installations, failing an examination means automatic enrollment in a course. We pointed out in 1988 that the practice of allowing contractors to conduct certification testing was questionable and potentially created a false demand for training. We also noted that aside from the impact that certification testing may have on troop school enrollment, the need for testing was questionable in view of another Army test program that evaluates soldiers' proficiency.[3] Although the Department of Defense (DOD) agreed with our 1988 report, we found that commanders continue to require certifications and still allow contractors to develop and administer tests to incoming soldiers. At one installation, incoming soldiers were given the option to take a certification test or attend a troop school course, regardless of prior training and experience. Troop school managers said that almost all soldiers opted for the training. At another installation, less than one-half of the soldiers were able to pass the tests. In one case, none of the soldiers passed. Those who failed were required to attend a troop school course.

The Army Lacked Criteria to Determine Cross-training Requirements

Most soldiers who attended troop schools received cross-training to enable them to fill in for regularly assigned soldiers who were absent from the unit. However, the Army had not established criteria to guide commanders in deciding how much cross-training was necessary. Instead, Forces Command and DCSOPS officials relied on the installations to develop their own criteria. They believed unit commanders were in a better position to determine training needs.

[3]The self-development test measures soldiers' proficiency annually.

Although two installations we visited have now established criteria, troop school personnel did not monitor compliance, even though courses continued to be used primarily to provide cross-training. In 1988, we found that as many as five soldiers were cross-trained for each authorized position in one occupational specialty. The Army Audit Agency reported this same condition as early as 1982. It found that as many as 77 percent of the soldiers enrolled in troop schools took courses in job specialties other than their own. We pointed out that the extent of cross-training may be excessive since the Army had no criteria to determine the appropriate number of soldiers to cross-train.

The Army Did Not Ensure That Programs of Instruction Were Consistent With Training Standards and Doctrine

In 1988, we found that troop school officials in many cases did not submit course programs of instruction[4] to the Army's training schools for review and approval. Consequently, course content varied considerably from base to base and was inconsistent with Army training standards. The courses also contained outdated Army doctrine.

Although the 1990 revision to the Army's regulations required TRADOC to develop programs of instruction for contracted courses, this requirement was generally ignored by Army installations. TRADOC developed programs of instruction for the 16 courses initially authorized by the Army. However, no provision was made to develop curricula for additional courses. The programs of instruction used at the installations we visited included some developed by contractors, local units, and equipment manufacturers. As a result, there is no assurance that the instruction provided in these courses is current and consistent with Army doctrine.

The Army Has Not Followed Up on Corrective Actions

As evidenced by the continuing problems with the management of troop schools, the Army has not followed through with corrective actions initiated in response to our 1988 report. In that report, we recommended that the Secretary of the Army

- develop guidance on factors commanders should consider in conducting needs assessments;
- develop and implement internal control procedures to ensure that adequate needs assessments are conducted before installations contract for training;

[4]A program of instruction is a formal document that, among other things, describes course content and hours of instruction.

- develop standardized criteria to determine the number of soldiers who should be cross-trained;
- determine whether soldier certification should be continued, and if certification is necessary, develop standardized tests for use in all troop schools; and
- ensure that course programs of instruction currently used in troop schools are reviewed and approved by the Army's training schools.

In commenting on that report, DOD stated that troop schools would receive intense Army scrutiny to ensure the effective and efficient use of limited training resources. Moreover, the Secretary of the Army's Fiscal Year 1989 Annual Statement on Internal Control identified the troop school program as containing material weaknesses. The annual statement of assurance reports material weaknesses discovered in the internal controls during the current period, with plans for corrective action and a status report on previously reported unresolved material weaknesses.

A principal aspect of the corrective action plan was to revise Army Regulation 351-1, the guidance governing troop schools. Major changes included (1) providing guidance on how to conduct needs assessments, including a requirement that commanders consider alternatives to troop school training; (2) assigning program monitoring responsibilities to the major commands and DCSOPS; and (3) assigning TRADOC the responsibility to develop standardized certification tests and programs of instruction for troop school courses. Based on completion of these actions, the Army concluded that the materiality of the weakness was significantly reduced, and it discontinued reporting its status. However, the Army did not follow up to ensure that problems had been resolved. Forces Command and DCSOPS officials told us that despite the monitoring requirement assigned to them, there was no attempt by either organization to monitor troop schools. Instead, Forces Command and DCSOPS officials, pointing to a shortage of personnel, told us that they relied on the installations to manage their own programs.

Recommendations

We recommend that the Secretary of the Army

- assess the need for existing and future troop schools on the basis of performance shortfalls and cost-effectiveness, as required by Army regulations;

- establish procedures to ensure that the major commands and DCSOPS control troop school expenditures by monitoring needs assessments and courses offered;
- ensure that troop school managers seek to minimize the number of course offerings given;
- discontinue the use of certification tests developed by contractors to measure soldiers' proficiency;
- identify the troop school program as containing material internal control weaknesses in the Secretary's next annual assurance statement; and
- direct the Army Audit Agency to verify that the Army has established effective controls over troop schools.

Because of the persistent nature of internal control weaknesses and the lack of a clearly defined need for troop schools, we recommend that the Secretary of Defense not approve future funding for Army troop schools unless the Army Audit Agency verifies that controls are in place and working by October 1, 1994.

Agency Comments and Our Evaluation

In commenting on a draft of this report, DOD said that it agreed with our findings and all but one of our recommendations (see app. I). Rather than revise Army Regulation 351-1, the Army decided to incorporate the troop school program under Army Regulation 350-41. Chapter 8—Soldier Training Courses—of that regulation, published in April 1993, completely outlines the needs assessment process. The new regulation also requires the use of an internal control checklist and continuing emphasis by DCSOPS to improve monitoring of needs assessments and troop school courses offered. Moreover, the regulation specifies that courses will be given only to correct identified performance shortfalls. Effective implementation of such initiatives should significantly reduce the recurrence of these problems.

In accordance with our recommendation, DOD said that control weaknesses in the troop school program will be identified in the Secretary of the Army's annual assurance statement for fiscal year 1993. DOD also agreed with our recommendation that the Army Audit Agency verify the effectiveness of controls over troop school operations. It said that the Army will request the Army Audit Agency to complete a review of controls by October 1, 1994. DOD agreed that the Secretary of Defense should not approve future funding for troop schools if the Army Audit Agency finds that controls are not working by October 1, 1994. DOD said that if the changes called for by Army Regulation 350-41 do not correct the material

weaknesses identified in troop school operations, the Secretary of Defense will direct that the program be terminated.

A draft of this report contained a recommendation that the Army eliminate the use of certification tests to measure soldiers' proficiency. The purpose of the recommendation was twofold. First, because the certification tests were contractor-developed, we pointed out the potential for false demand. Second, we believed that the Army's self-development test provided an alternative means to test soldiers' proficiency. DOD did not agree that certification tests could be eliminated, stating that there was no other acceptable means to test personnel cross-trained outside their basic military skill. However, DOD did agree that because of a potential conflict of interest, contractors should not develop certification tests. DOD said that under the new Army regulation, major commands will be required to develop standardized certification tests for each troop school course; hence, contractors will not have control over test content. We agree with DOD's position and have modified our recommendation accordingly.

Scope and Methodology

To gain an understanding of Army troop school management policies and procedures, we interviewed officials at the following headquarters offices: Department of the Army, Washington, D.C.; Forces Command, Fort McPherson, Georgia; and TRADOC, Fort Monroe, Virginia. In conducting our work, we reviewed the troop school programs at the following Forces Command installations: Fort Bragg, North Carolina; Fort Carson, Colorado; and Fort Hood, Texas. We selected Forces Command installations because they used troop schools more frequently than other major commands.

We examined procedures used to prepare needs assessments and interviewed Army officials concerning how installations determined the courses to be taught and the number of soldiers to attend them. We also reviewed needs assessment documents for compliance with regulatory requirements. We visited Fort Stewart, Georgia, which did not use troop schools, to understand what factors officials considered in reaching this decision.

We conducted our review from July to December 1992 in accordance with generally accepted government auditing standards.

We are sending copies of this report to the Chairmen, House Committee on Government Operations, and Senate Committee on Governmental

Affairs; the Chairman, Senate Committee on Armed Services; the Chairmen, House and Senate Committees on Appropriations; the Director, Office of Management and Budget; and the Secretaries of Defense and the Army. We will make copies available to other interested parties upon request.

Please contact me at (202) 512-5140 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix II.

Sincerely yours,

Mark E. Gebicke
Director, Military Operations and Capabilities Issues

Comments From the Department of Defense

OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1000

04 JUN 1993

(Force Management
and Personnel)

Mr. Frank C. Conahan
Assistant Comptroller General
National Security and International
Affairs Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Conahan:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report, "ARMY TRAINING: Expenditures for Troop Schools Have Not Been Justified," Dated April 21, 1993 (GAO Code 393523), OSD Case 9380. The DoD partially concurs with the report.

The Department agrees with most of the report findings and recommendations. In April 1993, the Army issued Army Regulation 350-41. Implementation of the new regulation should correct the problems identified in the GAO report.

The DoD does not agree, however, with the GAO recommendation that certification tests should be eliminated. The GAO based its position on the fact the certification test were being prepared by the same contractor that conducted the troop school -- an unacceptable conflict of interest. The DoD concurs with that point, and the Headquarters, Department of Army has directed preparation of standardized certification tests. Further, the Army will send a message to all major commands stating that they may only use standardized certification tests for determining troop school eligibility. That action should insure there is no conflict of interest, while allowing the screening out of students who do not require the additional training.

DoD also concurs with the recommendation that the troop school program would be canceled if the latest management actions do not correct the identified inadequacies. The Army Audit Agency will conduct a follow-up review to be completed no later than October 1, 1994, to insure that the troop school program is operating within the established guidelines.

The detailed DoD comments on the report findings and recommendations are provided in the enclosure. The DoD appreciates the opportunity to comment on the draft report.

Sincerely,

Winter Alexander

ROBERT M. ALEXANDER
Lieutenant General, USAF
Deputy Assistant Secretary of Defense
(Military Manpower and Personnel Policy)

Enclosure
As stated

GAO DRAFT REPORT--DATED APRIL 21, 1993
(GAO CODE 393523) OSD CASE 9308

"ARMY TRAINING: EXPENDITURES FOR TROOP SCHOOLS HAVE NOT BEEN JUSTIFIED"

DEPARTMENT OF DEFENSE COMMENTS

* * * * *

FINDINGS

- **FINDING A: Army Training**. The GAO explained that, when soldiers first join the Army, they receive basic training and advanced individual training conducted by Army schools and training centers. The GAO further explained that the training prepares soldiers to reach the apprentice level within a military occupational specialty and, once completed, soldiers are assigned to Army units where noncommissioned officers provide (1) refresher training in the critical tasks taught during advanced training and (2) initial training in tasks not covered in advanced training. The GAO noted that, to supplement the training provided by noncommissioned officers, commanders are authorized to use troop schools for the following purposes:

  - to assist in completing individual training requirements; and

  - to cross-train soldiers in other specialties to fill job vacancies or develop backup expertise.

  The GAO reported that all of the troop schools on the bases it visited were operated under contracts with private colleges and paid for through the Army operations and maintenance funds. The GAO observed the Army estimates that, during FY 1992, about $2.5 million was paid to contractors to operate troop schools. (The GAO noted that the amount does not include either the salaries of troop school personnel and students or the operations and maintenance of facilities). The GAO explained that management responsibility for troop schools is divided among the Army Deputy Chief of Staff for Operations and Plans, the major Army commands, and the individual Army installations. (pp. 3-5/GAO Draft Report)

  DOD RESPONSE: Concur.

Now on pp. 2-3.

Enclosure

Now on pp. 3-4.

- **FINDING B: Justifications Were Superficial.** The GAO reported that Army Regulation 351-1, which was revised in 1990 (based on a 1988 GAO report--OSD Case 7650), requires that the Army assess the need for specific troop schools by (1) identifying a performance shortfall and (2) documenting the selection of the most cost-effective training alternative. The GAO found, however, that only 25 percent of the needs assessments prepared by installations it visited indicated a performance deficiency in individual soldiers (i.e., only 10 of the 40). The GAO concluded that the information contained in the needs assessment documents it reviewed was superficial and/or unsupported. The GAO pointed out that the most significant deficiency was the absence of an identified performance shortfall and the impact on the unit mission(s). The GAO explained that information provided under unit mission category included (1) undocumented statements that a training need existed, (2) insinuations that Training and Doctrine Command schools did not adequately train soldiers, (3) references to alleged Army-wide shortages in military specialties, and (4) descriptions of the course itself. The GAO pointed out that, in most cases, the information did not identify specific shortfalls or the impact on the unit performance.

  The GAO also found the needs assessments did not establish that troop schools were the most cost-effective alternative to meet the training need. The GAO noted that, although alternatives (such as mobile training teams, Training and Doctrine Command schools, and military instructors) were mentioned in the assessments, none contained cost data to reflect selection of the most cost-effective alternative. (pp. 5-7/GAO Draft Report)

  DOD RESPONSE: Concur. The DoD response to the 1988 report stated "regulations requiring the forecasting of troop school needs assessments ... will be ... submitted for review ... [and] regulations will reflect this requirement." To correct the deficiency, changes were initially proposed to Army Regulation 351-1, Individual Military Education and Training. Based on the GAO findings and recommendations, a subsequent decision was made to incorporate troop school training in Army Regulation 350-41. That regulation was effective April 19, 1993. Chapter 8, Soldier Training Courses, completely outlines the needs assessment process.

Page 2 of 10

- **FINDING C: Needs Assessments Were Based on Prior Year's Program.** The GAO reported that each year's assessment was based on the courses offered during the previous year--as opposed to an evaluation of current training needs. The GAO had reported the same problem in its 1988 report (OSD Case 7650). According to the GAO, the Army Audit Agency also had reported the same findings in 1982 and 1987.

  The GAO provided the example of Fort Carson, where troop school managers provided lists of courses to the units and asked them if the courses should be continued. The GAO explained that a positive response required only a check mark, while a negative response required a narrative discussion to support the unit decision. The GAO observed that, as a result, there was little change in the courses offered from one year to the next. The GAO reported that, in most cases, all three installations it reviewed resubmitted the FY 1992 assessments as the justification for continuing the same courses in FY 1993. The GAO noted that troop school managers at the Forces Command bases it visited advised they had neither received formal training on how to prepare needs assessments, nor received feedback on the assessments they had submitted to the Forces Command--and considered the lack of a response from the Forces Command as tacit approval of the needs assessments and the courses to be offered. (p. 5, pp. 7-8/GAO Draft Report)

  DOD RESPONSE: Concur.

Now on pp. 3-4

- **FINDING D: Perceived Need for Courses Varied Widely.** The GAO reported that, even though the major units stationed at the installations it visited were either mechanized infantry or armor, there was wide variation in the perceived need for troop school courses. The GAO pointed out that Fort Hood contracted for 25 courses covering a wide range of subjects, including wheeled vehicle mechanic and supply and mobile telephone operations, while Fort Carson contracted for 12 courses; only 6 of were the same as the courses at Fort Hood. The GAO reported that, in contrast, Fort Stewart discontinued the troop school program after assessing how training funds could be spent more prudently. The GAO noted officials advised that the National Guard Bureau Regional Maintenance site, also located at Fort Stewart, is now providing training comparable to courses previously provided by contractors at an estimated saving of about $80,000 annually. (p. 5, pp. 8-9/GAO Draft Report)

Now on. pp. 4-5

DOD RESPONSE: Concur. In its 1988 report, the GAO recommended the Army should consider alternative training sources. As discussed in the draft report, Fort Stewart, has already met this requirement. Implementation of Army Regulation 350-41 will facilitate further cost saving alternatives in the field. Paragraph 8-3c(2) of the directive requires installations to "document selection of the most cost effective alternative" in the needs assessment process.

- **FINDING E: Many Courses Were Not Authorized.** The GAO concluded the Army did not adequately control school operations and, as a result, installations funded courses that were not authorized or needed. The GAO further concluded that it was not ensured that the courses were consistent with Army standards and doctrine. The GAO explained Army Regulation 351-1 lists 16 courses that may be offered by troop schools--and requires all additional courses to have approval by the Deputy Chief of Staff for Operations and Plans. The GAO reported that several installations sought approval to provide additional courses in FY 1991 and FY 1992, but the requests were not responded to. The GAO found that, despite a lack of approval, the installations nonetheless contracted for the additional troop school courses in both fiscal years.

  The GAO noted that, in September 1992, the Deputy Chief of Staff for Operations and Plans granted an exception to policy by allowing unapproved courses to continue into FY 1993--if the first general officer in the chain-of-command certified that the course was critical. The GAO concluded that action was taken because the Deputy Chief of Staff for Operations and Plans could not adequately determine the need for courses from available information on a timely basis and wanted to allow commanders flexibility in their use of training resources. The GAO further concluded, however, that in making the exception, the Army circumvented the controls it sought to establish in the 1990 regulatory revision. (pp. 9-10/GAO Draft Report)

Now on p. 5.

DOD RESPONSE: Concur. Army Regulation 351-1, however, is no longer the controlling regulation for contracted soldier training courses. As previously discussed, Army Regulation 350-41 promulgates the approval controls.

- **FINDING F: Number of Course Offerings Was Excessive.** The GAO explained that, since contractors are paid per course rather than per student, it is more cost efficient for troop

Now on pp. 5-6.

school managers to ensure that all scheduled courses are filled to capacity. Based on a review of courses offered at three installations during FY 1992, the GAO found that if courses had been filled to capacity about 23 percent (164 of 708) of the offerings would not have been needed. (Report table 2 provides examples of unneeded course offerings.) (pp. 10-11/GAO Draft Report)

DOD RESPONSE: Concur.

- **FINDING G: Contractors Continue to Develop Certification Tests.** The GAO found that many installations have established certification programs to test the proficiency of soldiers working in certain duty positions. The GAO reported that the programs require soldiers to take certification examinations developed by the contractors who teach troop school courses. The GAO noted that, at some installations, failing an examination meant automatic enrollment in a course. The GAO referenced its 1988 report (OSD Case 7650), in which it had concluded the practice of allowing contractors to conduct certification testing was questionable and potentially created a false demand for training.

  The GAO pointed out that, although the DoD agreed with the 1988 report, commanders continue to require certifications and still allow contractors to develop and administer tests to incoming soldiers. The GAO noted that, at one installation, incoming soldiers were given the option of taking a certification test or attending a troop school course--regardless of prior training and experience. The GAO observed that, according to troop school managers, almost all soldiers opted for the training. At another installation, the GAO found that less than one-half of the soldiers were able to pass the tests and, in one case, none of the soldiers passed. The GAO noted that those who failed were required to attend a troop school course.

Now on p. 6.

(pp. 11-12/GAO Draft Report)

DOD RESPONSE: Concur. The DoD concurs that contractors should not develop certification tests. The DoD response to the 1988 GAO report stated that "testing conducted by individual contractors ... resulted in excessive expenditure of ... funds. Regulations will be implemented requiring The Training and Doctrine Command to develop certification programs." To correct that deficiency, changes were initially proposed to Army Regulation 351-1. As previously discussed, decisions were made to incorporate troop school

training in the Army Regulation 350-41 revision. Paragraph 8-3b(1), tasks the proponent major command to "develop ... and update ... programs of instruction. Programs of instruction will include ... standardized certification tests." Certification tests should not be eliminated. Full implementation of the regulation will negate the "potentially ... false demand for training" identified in the GAO draft report.

- **FINDING H: The Army Lacked Criteria to Determine Cross-Training Requirements**. The GAO reported that most soldiers attending troop schools received cross-training to enable them to fill in for regularly assigned soldiers who were absent from the unit. The GAO found, however, that the Army had not established criteria to guide commanders in deciding how much cross-training was necessary and, instead, Forces Command and officials in the office of the Deputy Chief of Staff for Operations and Plans relied on the installations to develop criteria. The GAO explained that, although two installations it visited had established criteria, troop school personnel did not monitor compliance--even though courses continued to be used primarily to provide cross-training. The GAO again referenced its 1988 report (OSD Case 7650), in which it reported that as many as five soldiers were cross-trained for each authorized position in one occupational specialty. The GAO noted that the Army Audit Agency also reported the same condition as early as 1982. (pp. 12-13/GAO Draft Report)

Now on pp. 6-7.

DOD RESPONSE: Concur. The DoD concurs that this criterion was not developed to determine specific needs for training. Requirements at each installation vary depending on troop rotations and unit strength levels. Paragraph 8-3c(5), Army Regulation 350-41, directs using major commands to insure only training to correct performance shortfalls will be conducted.

- **FINDING I: Army Does Not Ensure That Programs of Instruction Are Consistent with Training Standards and Doctrine**. The GAO found that, although the 1990 revision to the Army regulations required that the Training and Doctrine Command develop programs of instruction for contracted courses, the requirement had generally been ignored by Army installations. The GAO reported that the Training and Doctrine Command developed programs of instruction for the 16 courses initially authorized by the Army; however, no provision was made to develop curricula for additional courses. The GAO reported that the programs of instruction

Now on p. 7.

used at the installations it visited included some developed by contractors, local units, and equipment manufacturers. The GAO concluded that, as a result, there is no assurance the instruction provided in the various courses is current and consistent with Army doctrine. (pp. 13-14/GAO Draft Report)

DOD RESPONSE: Concur. The Army has taken action to correct the deficiency noted in the 1988 report. As stated in the draft report, Forces Command has used standardized programs of instruction for the past two years. Those packages were developed by The Training and Doctrine Command for the 16 authorized courses listed in Army Regulation 351-1. Full implementation of Army Regulation 351-1 will further correct this shortcoming.

- **FINDING J: The Army Has Not Followed Up On Corrective Actions.** The GAO concluded that the Army had not followed through with corrective actions initiated in response to its 1988 report (OSD Case 7650). The GAO listed the recommendations made in the prior report. The GAO noted that, in commenting on the report, the Department agreed that troop schools would receive intense Army scrutiny to ensure the effective and efficient use of limited training resources. The GAO observed that the Secretary of the Army's Fiscal Year 1989 Annual Statement on Internal Control identified the troop school program as containing material weaknesses. The GAO reported that a principal aspect of the internal control corrective action plan was to revise the guidance governing troop schools. The GAO explained that major changes included the following:

  - providing guidance on how to conduct needs assessments, including a requirement that commanders consider alternatives to troop school training;
  - assigning program monitoring responsibilities to the major commands and the Deputy Chief of Staff for Operations and Plans; and
  - assigning the Training and Doctrine Command the responsibility to develop standardized certification tests and programs of instruction for troop school courses.

  The GAO reported that, based on completion of the actions, the Army concluded the materiality of the weakness was significantly reduced and, therefore, discontinued reporting the weakness. The GAO found, however, that the Army did not

Page 7 of 10

Now on pp. 7-8.

follow up to ensure that the problems actually had been resolved. The GAO reported that, according to Forces Command and officials in the office of the Deputy Chief of Staff for Operations and Plans, despite the monitoring requirement assigned to them, there was no attempt by either organization to monitor troop schools. The GAO found that, instead, Forces Command and officials of the Office of the Deputy Chief of Staff for Operations and Plans (pointing to a shortage of personnel) relied on the installations to manage their own programs. (pp. 14-16/GAO Draft Report)

DOD RESPONSE: Partially concur. Army Regulation 350-41 provides a comprehensive Army policy for training in units. Chapter 8, Soldier Training Courses, addresses the internal control weaknesses cited in the draft report. A message to all Army major commands has been prepared to reinforce the internal control measures set forth in Army Regulation 350-41. An internal control checklist is being developed for Chapter 8 which should be completed by 1 Oct 1993. When completed, the checklist will be incorporated into Department of Army Circular 11 series, Internal Control Review Checklists.

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Page 8 of 10

RECOMMENDATIONS

- **RECOMMENDATION 1**: The GAO recommended that the Secretary of the Army assess the need for existing and future troop schools on the basis of performance shortfalls and cost-effectiveness, as required by Army regulations. (pp. 16-17/GAO Draft Report)

Now on. p. 8.

DOD RESPONSE: Concur. The Army has completed an assessment of the existing and future troop school training and has issued revised procedures. The new Army Regulation 350-41 was effective on April 19, 1993.

- **RECOMMENDATION 2**: The GAO recommended that the Secretary of the Army establish procedures to ensure the major commands and the Deputy Chief of Staff for Operations and Plans control troop school expenditures by monitoring needs assessments and the courses offered. (pp. 16-17/GAO Draft Report)

Now on p. 9.

DOD RESPONSE: Concur. Army Regulation 350-41 implements the internal control measures necessary for effective training. The internal control checklist, to be published not later than October 1, 1993, and continuing emphasis by Headquarters, Department of Army will correct the deficiency.

- **RECOMMENDATION 3**: The GAO recommended that the Secretary of the Army ensure troop school managers seek to minimize the number of course offerings given. (pp. 16-17/GAO Draft Report)

Now on p. 9.

DOD RESPONSE: Concur. The new Army Regulation 350-41 was issued on April 19, 1993. The Regulation requires that training only be conducted to correct identified performance shortfalls.

- **RECOMMENDATION 4**: The GAO recommended that the Secretary of the Army eliminate the use of certification tests in light of other means available to measure soldier proficiency. (pp. 16-17/GAO Draft Report)

Now on p. 9.

DOD RESPONSE: Nonconcur. Army Regulation 350-41, Paragraph 8-3b(1), tasks the proponent major command to develop standardized certification tests for each contracted course that will provide the Army an accurate assessment of a

soldier's training requirement. There is no other acceptable test for cross-training of personnel outside their basic military skill. GAO stated "the practice of allowing contractors to conduct certification testing was questionable and potentially created a false demand for training." Under the new Army policy, the contractor has no control over test content, thus eliminating a potentially false demand.

- **RECOMMENDATION 5**: The GAO recommended that the Secretary of the Army identify the troop school program as containing material internal control weaknesses in the Secretary's next annual assurance statement. (pp. 16-17/GAO Draft Report)

Now on p. 9.

DOD RESPONSE: Concur. The troop school program will be identified in the FY 1993 annual assurance statement.

- **RECOMMENDATION 6**: The GAO recommended that the Secretary of the Army direct the Army Audit Agency to verify that the Army has established effective controls over troop schools. (pp. 16-17/GAO Draft Report)

Now on p. 9.

DOD RESPONSE: Concur. The Army recognizes the need for additional audit requirements for contracted soldier training courses. Headquarters, Department of Army will .. request that an Army Audit Agency review be completed not later than October 1, 1994. That audit will verify that implementation of Army Regulation 350-41 corrects all deficiencies attributed to the troop school program.

- **RECOMMENDATION 7**: The GAO recommended that the Secretary of Defense not approve future funding for Army troop schools unless the Army Audit Agency verifies that controls are in place and working by October 1, 1994. (pp. 17-18/GAO Draft Report)

Now on p. 9.

DOD RESPONSE: Concur. If the Army Audit Agency report concludes that the latest changes, promulgated though Army Regulation 350-41, do not correct the material weaknesses in the Army Troop School program, the Secretary of Defense will direct discontinuing of the Troop School Program. (See the DoD response to Recommendation 6).

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